

# **E X H I B I T    4**

IN THE UNITED STATES DISTRICT COURT  
FOR THE MIDDLE DISTRICT OF TENNESSEE  
AT NASHVILLE

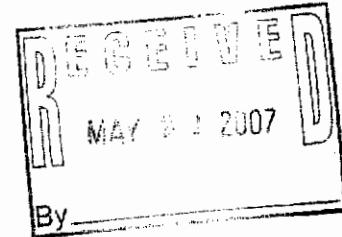
John A. Jones and Carleton A. Jones, III,

Plaintiffs,

v.

BDO Seidman, LLP and Gramercy Advisors,  
LLC,

Defendants.



CASE NO. 3:06-CV-1115

Judge Echols

Magistrate Judge Brown

**BDO'S RULE 26(a)(1) INITIAL DISCLOSURES**

Defendant BDO Seidman, LLP ("BDO"), by and through its attorneys, DLA Piper US LLP, provides the following initial disclosures pursuant to Federal Rule of Civil Procedure 26(a)(1). BDO expressly reserve its right to modify and supplement the following as necessary based upon fact investigation and discovery in this matter.

**Rule 26(a)(1)(A): The name and, if known, the address and telephone number of each individual likely to have discoverable information that the disclosing party may use to support its claims or defenses, unless solely for impeachment, identifying the subjects of the information;**

1. Mark Puckett  
BDO Seidman, LLP  
5100 Poplar Ave, Ste 2600  
Memphis, TN 38137  
(901) 680-7600

Subject: The nature of the services and advice provided by BDO to the plaintiffs, information pertaining to the plaintiffs' finances prior to the transactions that are the subject of this litigation, communications with the plaintiffs regarding the transactions that are the subject of this litigation, and the representations the plaintiffs' made to BDO and others regarding the transactions at issue in this litigation.

2. Micah Z. Duke  
BDO Seidman, LLP  
5100 Poplar Ave, Ste 2600  
Memphis, TN 38137

Subject: The plaintiffs' settlement with the IRS.

3. Paul Shanbrom  
BDO Seidman, LLP  
775 West Big Beaver, Ste 1900  
Troy, MI 48084-0178  
(248) 244-6516

Subject: The nature of the services provided by BDO to the plaintiffs, and discussions with the plaintiffs' attorneys regarding the transactions that are the subject of this litigation.

4. Robert Greisman  
BDO Seidman, LLP  
233 North Michigan Avenue, Ste 2500  
Chicago, IL 60601  
(312) 616-4693

Subject: The plaintiffs' settlement with the IRS.

5. Lawrence Cohen  
BDO Seidman, LLP  
330 Madison Avenue  
New York, NY 10017  
(212) 885-8434

Subject: Opinion regarding the transactions that are the subject of this litigation.

6. Kilpatrick Stockton LLP  
1100 Peachtree St, Ste 2800  
Atlanta, GA 30309-4530

Subject: The plaintiffs' sale of their newspaper business giving rise to a substantial capital gain.

7. Jay A. Johnston  
Gramercy Advisors, LLC  
20 Dayton Ave  
Greenwich, CT 06830  
(203) 552-1900

Subject: The nature of the services provided by Gramercy Advisors, LLC to the plaintiffs and communications with the plaintiffs regarding the transactions that are the subject of this litigation.

8. Menasche M. Nass  
DeCastro, West, Chodorow, Glickfield & Nass, Inc.  
10960 Wilshire Blvd  
Los Angeles, CA 90024

Subject: The nature of the services provided by BDO to the plaintiffs, as well as his legal opinion with respect to plaintiffs' transactions.

9. The following plaintiffs to this action and members of their family have, or are likely to have, discoverable information about the nature of the consulting services that BDO provided to them and their affiliated entities, as well as their own financial and tax-planning histories, and the communications they had with BDO and others regarding the transactions at issue in this litigation:

John A. Jones  
Carleton A. Jones, III  
Janet Jones  
Carleton Jones, IV  
Sara Wibel  
Jed Wibel

10. Steven Solys  
Solys Financial Group  
1000 Town Center  
26th Floor  
Southfield, MI 48075  
(248) 948-5178

Subject: The nature of the consulting services that BDO and Lincoln Financial provided to the plaintiffs and their affiliated entities, as well as the plaintiffs' financial and tax-planning histories, and the communications the plaintiffs had with BDO and others regarding the transactions at issue in this litigation.

11. Richard A. Johnson  
Waller Lansden Dortch & Davis LLP  
Nashville City Center  
511 Union Street, Ste 2700  
Nashville, TN 37238  
(615) 850-8151

Subject: The nature of the consulting services that BDO provided to the plaintiffs and their affiliated entities, his review on behalf of the plaintiffs of the agreements between the plaintiffs and BDO and Gramercy Advisors, LLC, and the plaintiffs' financial and tax-planning history.

12. J. Leigh Griffith  
Waller Lansden Dortch & Davis LLP  
Nashville City Center  
511 Union Street, Ste 2700  
Nashville, TN 37238  
(615) 850-8534

Subject: The nature of the consulting services that BDO provided to the plaintiffs and their affiliated entities, his review on behalf of the plaintiffs of the agreements between the plaintiffs and BDO and Gramercy Advisors, LLC, and the plaintiffs' financial and tax-planning history.

13. William Robert Pope  
315 Deadrick Street, Ste 1100  
Nashville, TN 37238  
(615) 244-4994

Subject: The plaintiffs' settlement with the IRS.

14. Thomas Yorke  
Refco Capital Markets, Ltd.  
200 Liberty St, 23rd Floor  
New York, New York 10281  
(212) 693 – 7856

Subject: The nature of the transactions which are the subject of this litigation.

15. Consultants, representatives, and others with whom the plaintiffs communicated about the transactions at issue and the potential tax implications of those transactions.

BDO's Investigation continues.

**Rule 26(a)(1)(B): A copy of, or a description by category and location of, all documents, electronically stored information, and tangible things that are in the possession, custody, or control of the party and that the disclosing party may use to support its claims or defenses, unless solely for impeachment;**

1. Tax returns for the plaintiffs.
2. Financial statements, corporate, and transactional documents for the plaintiffs' affiliated business entities.
3. Consulting agreements between the plaintiffs and BDO.
4. Written communications between BDO and the plaintiffs.
5. Internal communications and materials relating to the transactions of the plaintiffs.
6. Attorney opinions relating to the transactions of the plaintiffs.
7. Documents relating to the transactions engaged in by the plaintiffs.
8. Correspondence between plaintiffs and third parties relating to the transactions of the plaintiffs.
9. Documents pertaining to the IRS audit of plaintiffs' 2002 tax returns.

BDO's investigation continues.

**Rule 26(a)(1)(C): A computation of any category of damages claimed by the disclosing party, making available for inspection and copying as under Rule 34 the documents or other evidentiary material, not privileged or protected from disclosure, on which such computation is based, including materials bearing on the nature and extent of injuries suffered;**

1. Plaintiffs are delinquent in the payment of fees owed to BDO for tax preparation services unrelated to the transactions that are the subject of their Complaint. Mr. John A. Jones owes BDO \$ 14,945.04 for services rendered to Mr. John A. Jones, his company HPENE, LLC, and his daughter and son-in-law, Jacque and Cliff Hawks. Mr. Carleton A. Jones, III owes BDO \$ 8,486.40 for services rendered to Mr. Carleton A. Jones, III, his company NOCENA, LLC, and his daughter and son-in-law, Sara and Jed Wible.
2. Second, BDO has suffered, and will continue to suffer, damages as a result of the plaintiffs' litigation activities in this action, for which the plaintiffs may bear liability to BDO pursuant to an express indemnification provision contained in

the consulting agreement with the BDO. A computation of these damages is not yet available.

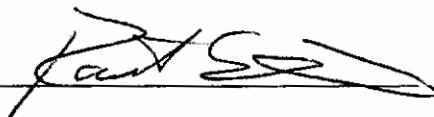
**Rule 26(a)(1)(D): *For inspection and copying as under Rule 34 any insurance agreement under which any person carrying on an insurance business may be liable to satisfy part or all of a judgment which may be entered in the action or to indemnify or reimburse for payments made to satisfy the judgment.***

BDO objects to providing insurance agreements with this submission on the basis of confidentiality and commercial sensitivity, but will separately provide plaintiffs with insurance information under mutually agreeable terms.

Respectfully submitted,

Dated: May 17, 2007

By:



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*Attorneys for Defendant BDO Seidman, LLP*

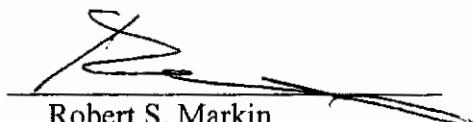
**CERTIFICATE OF SERVICE**

The undersigned attorney certifies that on this day, May 17, 2007, he caused the foregoing **BDO's Rule 26(a)(1) Initial Disclosures** to be delivered by first class U.S. mail, postage prepaid, to:

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